

April 29, 2011

Yolanda Cruz
President
Municipal Employees' Federation, AFSCME Local 101
c/o Library Department

LaVerne Washington
President
Confidential Employees' Organization, AFSCME Local 101
c/o City Attorney's Office

Re: Mediation

Dear Yolanda and LaVerne:

We are in receipt of your letter dated April 28, 2011, in which you requested that we cancel the mediation session scheduled for May 2, 2011, and indicated concern that the City had not provided a counteroffer to your April 18th offer (which precipitated impasse). I find the tone of your letter unfortunate and want to clarify the City's understanding of the events leading to this point.

The City declared impasse at our meeting on Monday, April 18th, after receiving MEF/CEO's "Package Proposal B." The City indicated that it believed that the parties were deadlocked over several significant issues, including the temporary nature of MEF/CEO's wage concessions and MEF/CEO's lack of interest in a reopener on retirement issues (in response to our question on that point, MEF/CEO specifically indicated that you believed that the City's Pension crisis was "imaginary"). We detailed our reasons for declaring impasse in our meeting and in a follow-up letter dated April 19th. In response, MEF/CEO stated that it was working on a proposal which it thought would break the impasse (you verbally identified several concessions which the new proposal might contain at our April 18th meeting). To date, we have not received a new proposal from either MEF or CEO.

In the April 19th letter, the City suggested mediation, as we believe it will be helpful in resolving issues and beneficial in reaching a possible settlement. We also confirmed that a State Mediator had been secured for our scheduled meeting on April 25th. As detailed in our letter dated April 25th, MEF/CEO initially objected to the Mediator assigned by the State Mediation and Conciliation Service. Once that issue was resolved, MEF/CEO indicated that there were problems with

release time for bargaining team members. After the City confirmed that all bargaining team members had been granted release time from their normal duties, MEF/CEO cancelled the meeting (which had been scheduled for a month) due to unavailability. On the evening of April 21st, we received two letters from AFSCME, indicating that MEF/CEO was cancelling the scheduled April 25th mediation session and indicating that MEF/CEO was continuing to develop a new proposal to provide to the City at our scheduled May 2nd mediation. However, MEF/CEO objected to the use of a mediator and requested that the City provide an electronic counterproposal before MEF/CEO would provide any proposal to the City.

On April 25th, the City sent MEF/CEO a letter informing you that the City would not be providing a counterproposal because there had been no change in circumstances since the City declared impasse on Monday April 18th. We also reiterated our interest in receiving the proposal you verbally discussed in our April 18th negotiation session. However, as of the date of this letter, we have yet to receive that proposal.

Given the foregoing, the City is unwilling to cancel Monday's scheduled mediation. The City believes that mediation serves an important purpose and that a mediator can help the parties break the deadlock in negotiations and reach agreement. MEF/CEO's attempt to cancel this meeting, coupled with your prior cancellations of meetings on April 13th and April 25th, is concerning to the City – cancelled meetings simply frustrate the bargaining process and do nothing to help the parties get closer to an agreement. The City stands ready, willing, and able to meet with MEF/CEO and to receive any proposal which MEF/CEO is willing to provide. We hope that you share this attitude and are willing to work with us to resolve the remaining issues.

The City will be present and available to begin mediation on Monday, May 2, 2011, at 2:00 PM in City Hall Tower Room #1734. It is our hope that MEF/CEO will reconsider its decision and participate in this mediation. However, we recognize that mediation is voluntary and that MEF/CEO has a right to waive mediation by choosing not to participate on Monday.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gina Donnelly', with a stylized flourish extending from the end.

Gina Donnelly
Deputy Director of Employee Relations

c: Charles Allen, AFSCME Business Representative